

**UNIFIED SCHOOL DISTRICT NO. 386
MADISON, KANSAS**

Independent Auditors' Report and
Financial Statement

For the Year Ended June 30, 2014

**UNIFIED SCHOOL DISTRICT NO. 386
MADISON, KANSAS**

FOR THE YEAR ENDED JUNE 30, 2014

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M & L CPA's

P.O. Box 230
114 W. Locust
El Dorado, KS 67042
(316) 321-1350
Fax: (316) 321-0039

C H A R T E R E D

Suite 600
100 South Main
Wichita, KS 67202
(316) 262-6578
Fax: (316) 262-1447

INDEPENDENT AUDITORS' REPORT

Board of Education
Unified School District No. 386
Madison, Kansas 66860

We have audited the accompanying fund summary statement of regulatory basis receipts, expenditures and unencumbered cash balances of Unified School District No. 386, Madison, Kansas, as of and for the year ended June 30, 2014 and the related notes to the financial statement.

Management's Responsibility for the Financial Statement

Management is responsible for the preparation and fair presentation of the financial statement in accordance with the *Kansas Municipal Audit and Accounting Guide* as described in Note 1 to meet the financial reporting requirements of the State of Kansas; this includes determining that the regulatory basis of accounting is an acceptable basis for the preparation of the financial statement in the circumstances. Management is also responsible for the design, implementation and maintenance of internal control relevant to the preparation and fair presentation of the financial statement that is free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on the financial statement based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the *Kansas Municipal Audit and Accounting Guide*. Those standards require we plan and perform the audit to obtain reasonable assurance about whether the financial statement is free of material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statement. The procedures selected depend on auditor's judgment, including the assessment of the risks of material misstatement of the financial statement, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statement in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statement.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Basis for Adverse Opinion on U.S. Generally Accepted Accounting Principles

As described in Note 1 of the financial statement, the financial statement is prepared by the Unified School District No. 386 to meet the requirements of the State of Kansas on the basis of the financial reporting provisions of the *Kansas Municipal Audit and Accounting Guide*, which is a basis of accounting other than accounting principles generally accepted in the United States of America.

The effects on the financial statement of the variances between the regulatory basis of accounting described in Note 1 and accounting principles generally accepted in the United States of America, although not reasonably determinable, are presumed to be material.

Adverse Opinion on U.S. Generally Accepted Accounting Principles

In our opinion, because of the significance of the matter discussed in the “Basis for Adverse Opinion on U.S. Generally Accepted Accounting Principles” paragraph, the financial statement referred to above does not present fairly, in conformity with accounting principles generally accepted in the United States of America, the financial position of Unified School District No. 386 as of June 30, 2014, or changes in financial position and cash flows thereof for the year then ended.

Opinion on Regulatory Basis of Accounting

In our opinion, the financial statement referred to above presents fairly, in all material respects, the aggregate cash and unencumbered cash balance of the Unified School District No. 386, Madison, Kansas, as of June 30, 2014, and the aggregate receipts and expenditures for the year then ended in accordance with the financial reporting provisions of the *Kansas Municipal Audit and Accounting Guide* described in Note 1.

Report on Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the 2014 fund summary statement of regulatory basis receipts, expenditures, and unencumbered cash balances (basic financial statement) as a whole. The summary of regulatory basis expenditures-actual and budget, individual fund schedules of regulatory basis receipts and expenditures-actual and budget, schedule of regulatory basis receipts and expenditures-agency funds, schedule of regulatory basis receipts, expenditures and unencumbered cash-district activity funds (Schedules 1, 2, 3 and 4 as listed in the table of contents) are presented for purposes of additional analysis and are not a required part of the 2014 basic financial statement, however are required to be presented under the provisions of the *Kansas Municipal Audit and Accounting Guide*. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the 2014 basic financial statement. The 2014 information has been subjected to the auditing procedures applied in the audit of the 2014 basic financial statement and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the 2014 basic financial statement or to the 2014 basic financial statement itself, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the 2014 basic financial statement as a whole, on the basis of accounting described in Note 1.

The 2013 Actual column presented in the individual fund schedules of regulatory basis receipts and expenditures-actual and budget (Schedule 2 as listed in the table of contents) is also presented for

comparative analysis and is not a required part of the 2013 basic financial statement upon which we rendered an unqualified opinion dated December 5, 2013. The 2013 basic financial statement and our accompanying report are not presented herein, but are available in electronic format from the web site of the Kansas Department of Administration, Office of Management Analysis and Standards at the following link <http://da.ks.gov/ar/muniserv/>. Such 2013 comparative information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the 2013 basic financial statement. The 2013 comparative information was subjected to the auditing procedures applied in the audit of the 2013 basic financial statement and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the 2013 basic financial statement or to the 2013 basic financial statement itself, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the 2013 comparative information is fairly stated in all material respects in relation to the 2013 basic financial statement as a whole, on the basis of accounting described in Note 1.

M + L CPAs Chartered

El Dorado, Kansas
December 11, 2014

**UNIFIED SCHOOL DISTRICT NO. 386
MADISON, KANSAS**

**SUMMARY STATEMENT OF RECEIPTS, EXPENDITURES AND UNENCUMBERED CASH
REGULATORY BASIS
FOR THE YEAR ENDED JUNE 30, 2014**

Funds	Beginning Unencumbered Cash Balance	Prior Year Cancelled Encumbrances	Receipts	Expenditures	Ending Unencumbered Cash Balance	Add Encumbrances and Accounts Payable	Ending Cash Balance
General Funds:							
General	\$ -	\$ -	\$ 2,179,905	\$ 2,179,905	\$ -	\$ 130,743	\$ 130,743
Supplemental general	39,357	-	729,120	723,252	45,225	176,860	222,085
Special Purpose Funds:							
At risk (4 year old)	-	-	20,450	20,450	-	-	-
At risk (K-12)	12,737	-	209,891	220,723	1,905	24,735	26,640
Capital outlay	174,230	-	33,372	182,985	24,617	59,488	84,105
Driver training	5,793	-	1,190	6,465	518	-	518
Food service	50,069	-	174,250	185,380	38,939	1,730	40,669
Professional development	120	-	13,645	12,515	1,250	261	1,511
Special education	40,000	-	372,853	372,853	40,000	171	40,171
Vocational education	-	-	11,248	9,711	1,537	-	1,537
KPERs special retirement	-	-	165,855	165,855	-	-	-
Contingency reserve	202,646	-	-	60,000	142,646	-	142,646
Gifts and grants	1,920	-	8,093	8,281	1,732	2,295	4,027
Textbook & student material revolv.	8,742	-	13,197	9,592	12,347	-	12,347
Title I, Part A - Improving Acad.	-	-	43,613	43,613	-	7,298	7,298
Title II, Part A - Teacher quality	-	-	18,030	18,030	-	3,005	3,005
Small School Grants	-	-	13,295	13,295	-	-	-
District activity funds	1,937	-	14,586	15,209	1,314	-	1,314
Capital Projects Funds:							
Capital Project - QZAB	2	-	-	-	2	-	2
Trust Funds:							
Expendable Trusts	833	-	500	833	500	-	500
Total Reporting Entity (Excluding Agency Funds)	<u>\$ 538,386</u>	<u>\$ -</u>	<u>\$ 4,023,093</u>	<u>\$ 4,248,947</u>	<u>\$ 312,532</u>	<u>\$ 406,586</u>	<u>\$ 719,118</u>

Composition of Cash:

Petty Cash	\$ 2,000
Checking and Money Market-First Community Bank	465,302
Certificates of deposit-First Community Bank	250,000
BOK Financial - BKC Cash fund I	2
Activity accounts-First Community Bank	24,363
Scholarship account-First Community Bank	500
Total Cash	<u>742,167</u>
Agency Funds per Schedule 3	<u>(23,049)</u>
Total Reporting Entity (Excluding Agency Funds)	<u>\$ 719,118</u>

UNIFIED SCHOOL DISTRICT NO. 386
MADISON, KANSAS

NOTES TO THE FINANCIAL STATEMENT

FOR THE YEAR ENDED JUNE 30, 2014

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Municipal Financial Reporting Entity

Unified School District No. 386, Madison, Kansas, is a municipal corporation governed by an elected seven-member board. This regulatory financial statement presents USD No. 386 (the District), a municipality.

Regulatory Basis Fund Types

General Fund - the chief operating fund. Used to account for all resources except those required to be accounted for in another fund.

Special Purpose Fund – used to account for the proceeds of specific tax levies and other specific regulatory receipt sources (other than Capital Project and tax levies for long-term debt) that are intended for specified purposes.

Bond and Interest Fund – used to account for the accumulation of resources, including tax levies, transfers from other funds and payment of general long-term debt.

Capital Project Fund – used to account for the debt proceeds and other financial resources to be used for acquisition or construction of major capital facilities or equipment.

Trust Fund – funds used to report assets held in trust for the benefit of the municipal financial reporting entity (i.e. pension funds, investment trust funds, private purpose trust funds which benefit the municipal reporting entity, scholarship funds, etc.).

Agency Fund – funds used to report assets held by the municipal reporting entity in a purely custodial capacity (payroll clearing fund, county treasurer tax collection accounts, etc.).

Basis of Accounting

Regulatory Basis of Accounting and Departure from Accounting Principles Generally Accepted in the United States of America. The *Kansas Municipal Audit and Accounting Guide* (KMAAG) regulatory basis of accounting involves the recognition of cash, cash equivalents, marketable investments, and certain accounts payable and encumbrance obligations to arrive at a net unencumbered cash and investments balance on a regulatory basis for each fund, and the reporting of changes in unencumbered cash and investments of a fund resulting from the difference in

**UNIFIED SCHOOL DISTRICT NO. 386
MADISON, KANSAS**

NOTES TO THE FINANCIAL STATEMENT

FOR THE YEAR ENDED JUNE 30, 2014

regulatory basis receipts and regulatory basis expenditures for the fiscal year. All recognized assets and liabilities are measured and reported at cost, unless they have been permanently impaired and have no future cash value or represent no future obligation against cash. The KMAAG regulatory basis does not recognize capital assets, long-term debt, accrued receivables and payables, or any other assets, liabilities or deferred inflows or outflows, other than those mentioned above.

The District has approved a resolution that is in compliance with K.S.A. 75-1120a(c), waiving the requirement for application of generally accepted accounting principles and allowing the municipality to use the regulatory basis of accounting.

Reimbursements

The District records reimbursable expenditures in the fund that makes the disbursement and records reimbursements as a receipt to the fund that receives the reimbursement. For purposes of budgetary comparisons, the expenditures are properly offset by the reimbursements under KMAAG regulatory basis accounting.

Budgetary Information

Kansas statutes require that an annual operating budget be legally adopted for the general fund, special purpose funds (unless specifically exempted by statute), bond and interest funds, and business funds. Although directory rather than mandatory, the statutes provide for the following sequence and timetable in the adoption of the legal annual operating budget:

1. Preparation of the budget for the succeeding calendar year on or before August 1st.
2. Publication in local newspaper on or before August 5th of the proposed budget and notice of public hearing on the budget.
3. Public hearing on or before August 15th, but at least ten days after publication of notice of hearing.
4. Adoption of the final budget on or before August 25th.

The statutes allow for the governing body to increase the originally adopted budget for previously unbudgeted increases in regulatory receipts other than ad valorem property taxes. To do this, a notice of public hearing to amend the budget must be published in the local newspaper. At least

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NOTES TO THE FINANCIAL STATEMENT

FOR THE YEAR ENDED JUNE 30, 2014

ten days after publication the hearing may be held and the governing body may amend the budget at that time. There was one such budget amendment for this year.

The statutes permit transferring budgeted amounts between line items within an individual fund. However, such statutes prohibit expenditures in excess of the total amount of the adopted budget of expenditures of individual funds. Budget comparison statements are presented for each fund showing actual receipts and expenditures compared to legally budgeted receipts and expenditures.

All legal annual operating budgets are prepared using the regulatory basis of accounting, in which, regulatory receipts are recognized when cash is received and expenditures include disbursements, accounts payable, and encumbrances, with disbursements being adjusted for prior year's accounts payable and encumbrances. Encumbrances are commitments by the District for future payments and are supported by a document evidencing the commitment, such as a purchase order or contract. Any unused budgeted expenditure authority lapses at year-end.

A legal operating budget is not required for capital projects funds, trust funds and the following special purpose funds: Contingency Reserve, Gifts and Grants, Textbook & Student Material Revolving, Title I, Title II, Small School Grants and District Activity Funds.

Spending in funds which are not subject to the legal annual operating budget requirement is controlled by federal regulations, other statutes, or by the use of internal spending limits established by the governing body.

NOTE 2: COMPLIANCE WITH KANSAS STATUTES

Management is not aware of any Kansas statutory violations for the fiscal year ended June 30, 2014.

NOTE 3: DEPOSITS AND INVESTMENTS

K.S.A. 9-1401 establishes the depositories which may be used by the District. The statute requires banks eligible to hold the District's funds have a main or branch bank in the county in which the District is located, or in an adjoining county if such institution has been designated as an official depository, and the banks provide an acceptable rate of return on funds. In addition, K.S.A. 9-1402 requires the banks to pledge securities for deposits in excess of FDIC coverage. The District has no other policies that would further limit interest rate risk.

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NOTES TO THE FINANCIAL STATEMENT

FOR THE YEAR ENDED JUNE 30, 2014

K.S.A. 12-1675 limits the District's investment of idle funds to time deposits, open accounts, and certificates of deposit with allowable financial institutions; U.S. government securities; temporary notes; no-fund warrants; repurchase agreements; and the Kansas Municipal Investment Pool. The District has no investment policy that would further limit its investment choices.

Concentration of credit risk. State statutes place no limit on the amount the District may invest in any one issuer as long as the investments are adequately secured under K.S.A. 9-1402 and 9-1405.

Custodial credit risk – deposits. Custodial credit risk is the risk that in the event of a bank failure, the District's deposits may not be returned to it. State statutes require the District's deposits in financial institutions to be entirely covered by federal depository insurance or by collateral held under a joint custody receipt issued by a bank within the State of Kansas, the Federal Reserve Bank of Kansas City, or the Federal Home Loan Bank of Topeka, except during designated "peak periods" when required coverage is 50%. The District did not have designated "peak periods" during the fiscal year ended June 30, 2014. All deposits were legally secured at June 30, 2014.

At June 30, 2014, the District's carrying amount of deposits was \$742,167 and the bank balance was \$579,972. The bank balance was held by one bank resulting in a concentration of credit risk. Of the bank balance, \$250,000 was covered by federal depository insurance and \$329,972 was collateralized with securities held by the pledging financial institutions' agents in the District's name.

Custodial credit risk – investments. For an investment, this is the risk that, in the event of the failure of the issuer or counterparty, the District will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. State statutes require investments to be adequately secured.

NOTE 4: IN-SUBSTANCE RECEIPT IN TRANSIT

The District received \$184,129 subsequent to June 30, 2014, and as required by K.S.A. 72-6417 and 72-6434, the receipt was recorded as an in-substance receipt in transit and included as a receipt for the year ended June 30, 2014.

**UNIFIED SCHOOL DISTRICT NO. 386
MADISON, KANSAS**

NOTES TO THE FINANCIAL STATEMENT

FOR THE YEAR ENDED JUNE 30, 2014

NOTE 5: INTERFUND TRANSFERS

Operating transfers were as follows:

<u>From</u>	<u>To</u>	<u>Authority</u>	<u>Amount</u>
General	Capital Outlay	K.S.A. 72-6428	\$ 1,076
General	Professional Development	K.S.A. 72-6428	13,645
General	Special Education	K.S.A. 72-6428	285,489
General	Vocational Education	K.S.A. 72-6428	1,626
General	Textbook & Student Materials	K.S.A. 72-6428	7,231
General	At Risk (4 Year Old)	K.S.A. 72-6428	20,450
General	At Risk (K-12)	K.S.A. 72-6428	205,871
Supplemental General	Food Service	K.S.A. 72-6433	30,042
Supplemental General	Special Education	K.S.A. 72-6433	85,389
Contingency Reserve	General	K.S.A. 62-6460	60,000

NOTE 6: DEFINED BENEFIT PENSION PLAN

Plan Description. Unified School District No. 386 participates in the Kansas Public Employees Retirement System (KPERS), a cost-sharing multiple-employer defined benefit pension plan as provided by K.S.A. 74-4901, etc. seq. KPERS provides retirement benefits, life insurance, disability income benefits, and death benefits. Kansas law establishes and amends benefit provisions. KPERS issues a publicly available financial report that includes financial statements and required supplementary information. That report may be obtained by writing to KPERS (611 S Kansas, Suite 100, Topeka, Kansas 66603) or by calling 1-888-275-5737.

Funding Policy. K.S.A. 74-4919 and K.S.A. 74-49,210 establishes the KPERS member-employee contribution rates. Effective July 1, 2009, KPERS has two benefit structures and funding depends on whether the employee is a Tier 1 or Tier 2 member. Tier 1 members are active and contributing members hired before July 1, 2009. Tier 2 members were first employed in a covered position on or after July 1, 2009. Kansas law establishes the KPERS member-employee contribution rate at 4% of covered salary prior to January 1, 2014, and 5% of covered salary commencing January 1, 2014, for Tier 1 members and 6% of covered salary for Tier 2 members. Member employees' contributions are withheld by their employer and paid to KPERS according to the provisions of section 414(h) of the Internal Revenue Code.

The State of Kansas is required to contribute the statutory required employers share.

**UNIFIED SCHOOL DISTRICT NO. 386
MADISON, KANSAS**

NOTES TO THE FINANCIAL STATEMENT

FOR THE YEAR ENDED JUNE 30, 2014

NOTE 7: OTHER LONG-TERM OBLIGATIONS FROM OPERATIONS

Other Post-Employment Benefits

As provided by K.S.A. 12-5040, the District allows retirees to participate in the group health insurance plan. The District pays \$300.00 per month toward the health insurance premium for one retired certified employee who met certain conditions as specified in the negotiated agreement applicable to the time period in which she retired. The benefits are discontinued after five years or when the participant qualifies for Medicare, whichever comes first. The District paid retiree health insurance benefit is not available for those electing to retire after May 30, 2010. During the year ended June 30, 2014, the District paid \$3,600 in premiums for the retiree on the District's health insurance policy. Any remaining subsidy to retirees due to the plan's level premium structure has not been quantified in these financial statements.

Under the Consolidated Omnibus Budget Reconciliation Act (COBRA), the District makes health care benefits available to eligible former employees and eligible dependents. Certain requirements are outlined by the federal government for this coverage. The premium is paid in full by the insured.

Compensated Absences

Sick leave is available to certified and classified staff and is issued according to the individuals work day. Full-time employees will accrue fifteen days of sick leave a year accumulative to 80 days. Excess sick leave beyond 80 days is paid to the employee on the June payroll each year. Certified staff will receive compensation of \$30 for each day of excess sick leave and classified staff will be paid \$20 for each excess sick leave day. In addition, upon retirement, teachers and classified staff with a minimum of fifteen years of service with U.S.D. No. 386 will be given a stipend of \$5 per day to be paid for their sick leave accumulation not to exceed 80 days.

Longevity Pay

Any teacher who has completed ten or more years of service in the employment of USD 386 and meets the education requirements shall be paid a longevity check. Payment is made in the month of December as a separate check. The longevity amount is calculated as a flat dollar amount according to the following table:

<u>Education</u>	<u>Years in USD 386</u>	<u>Flat Rate/Year</u>
B.S. + 10	10 years and up	\$30.00
M.S.	10 years and up	\$35.00
M.S. + 10	10 years and up	\$45.00

**UNIFIED SCHOOL DISTRICT NO. 386
MADISON, KANSAS**

**NOTES TO THE FINANCIAL STATEMENT
FOR THE YEAR ENDED JUNE 30, 2014**

NOTE 8: LONG-TERM DEBT

Changes in long-term liabilities for the District for the year ended June 30, 2014, were as follows:

<u>Issue</u>	<u>Interest Rates</u>	<u>Date of Issue</u>	<u>Amount of Issue</u>	<u>Date of Final Maturity</u>	<u>Balance Beginning of Year</u>	<u>Additions</u>	<u>Reductions/ Payments</u>	<u>Balance End of Year</u>	<u>Interest Paid</u>
Certificates of Participation:									
Series 2011 (Note 10)	0.0%	June 21, 2011	\$600,000	06/21/2023	\$600,000	\$ -	\$ -	\$600,000	\$ -
Total Contractual Indebtedness					\$600,000	\$ -	\$ -	\$600,000	\$ -

Current maturities of long-term debt and interest for the next five years and in five year increments through maturity are as follows:

	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020-2023</u>	<u>Total</u>
Principal:							
Certificates of Participation	\$ -	\$ -	\$ -	\$ -	\$ -	\$600,000	\$600,000
Total Principal	-	-	-	-	-	600,000	600,000
Interest:							
Certificates of Participation	-	-	-	-	-	-	-
Total Interest	-	-	-	-	-	-	-
Total Principal and Interest	\$ -	\$ -	\$ -	\$ -	\$ -	\$600,000	\$600,000

NOTE 9: LEASE PURCHASE AGREEMENTS

The District is leasing its real property located in Greenwood County, Kansas to Southwest Trust Company (the Trustee) for a term commencing on June 21, 2011 and ending on June 21, 2023. Under this lease, the Trustee provided \$600,000 to acquire, construct and equip energy improvements to the existing Madison elementary and Madison Junior/Senior High School including boiler, lighting, mechanical, plumbing, other energy efficient upgrades and resurfacing of the track.

Southwest Trust Company will then lease the real property and improvements to the District pursuant to a Lease Purchase Agreement dated June 21, 2011. Under the Lease Purchase Agreement, the District is obligated to make payments to the Trustee (the Basic Rent Payments).

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NOTES TO THE FINANCIAL STATEMENT

FOR THE YEAR ENDED JUNE 30, 2014

The agreement requires a basic rent payment in the amount of \$600,000 with a due date of June 21, 2023. The annual average effective interest rate of the Lease Purchase is 0%. The leases each provide for early terminations in the event of the happening of certain contingencies. The Lease contains various other covenants, terms and conditions. Copies of these documents are on file in the office of the Clerk of the District. The Lease Purchase Agreement has been designated by the District as a Qualified Zone Academy Bond pursuant to Sections 54A and 54E of the Internal Revenue Code, pursuant to an allocation received from the Kansas Department of Education.

The District entered a two year lease with Apple, Inc. on May 21, 2014 for 290 Apple I-Pads. The agreement requires two annual payments of \$62,143 for a total lease commitment of \$124,286 and has a fair market value purchase clause at the end of the rental period. The first payment of \$62,143 was encumbered during the fiscal year ended June 30, 2014 and the remaining rent payment of \$62,143 will be due during the fiscal year to end June 30, 2015.

NOTE 10: CERTIFICATES OF PARTICIPATION, SERIES 2011

The District issued Certificates of Participation, Series 2011, in the aggregate principal amount of \$600,000 to Citizens State Bank, Madison, Kansas for the purchase price of \$600,000 on June 21, 2011 and the proceeds were immediately deposited with Southwest Trust Company for the purpose of providing funds for construction of the Improvements. These Certificates of Participation, Series 2011, evidence interests in basic rent payments to be made by the District, pursuant to the Lease Purchase Agreement designated as Energy Qualified Zone Academy Bonds (QZABs), dated June 21, 2011 with Southwest Trust Company.

Pursuant to the Lease Purchase Agreement (see Note 9), the proceeds of the Series 2011 Certificates together with other available funds of the District are to be applied (i) to acquire, construct and equip energy improvements to the existing Madison elementary and Madison Junior/Senior High School including boiler, lighting, mechanical, plumbing and other energy efficient upgrades, and (ii) to pay the costs of issuance of the Certificates. The improvements financed with the proceeds of the Series 2011 Certificates are hereinafter referred to as the "Improvements."

The Series 2011 Certificates are payable solely from the Basic Rent Payments made by the District under the Lease Purchase Agreement as specified above in Note 9. The Series 2011 Certificates are further secured by the Improvements under the Lease Purchase Agreement.

The Declaration of Trust by Southwest Trust Company for the Certificates of Participation, Series 2011, requires a Series 2011 Sinking Fund Account. It is to be established by the District, held

**UNIFIED SCHOOL DISTRICT NO. 386
MADISON, KANSAS**

NOTES TO THE FINANCIAL STATEMENT

FOR THE YEAR ENDED JUNE 30, 2014

with the Purchaser (Citizens State Bank) and the District agrees to make a deposit on June 21 of each year, commencing June 21, 2012, in the amount of \$50,000. The District agrees to direct the purchaser to transfer amounts on deposit in the Series 2011 Sinking Fund to the Trustee at any time basic rent is due under the lease and the amounts transferred to the Trustee shall be treated as payments of basic rent under the lease. The District agrees not to make any withdrawals from the Sinking Fund unless a Directive shall have been obtained to consent to such withdrawal.

The following deposits have been made to the Sinking Fund as of June 30, 2014:

<u>Fiscal Year Ended</u>	<u>Deposit</u>
June 30, 2012	\$50,000
June 30, 2013	\$50,000
June 30, 2014	\$50,000

NOTE 11: RISK MANAGEMENT

The District is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters for which the District carries commercial insurance. There have been no significant reductions in coverage from the prior year and settlements have not exceeded coverage in the past three years.

NOTE 12: FEDERAL GRANT CONTINGENCY

In the normal course of operations, the District receives grant funds from various federal and state agencies. The grant programs are subject to audit by agents of the granting authority, the purpose of which is to ensure compliance with conditions precedent to the granting of funds. Any liability for reimbursement which may arise as the result of these audits is not believed to be material.

NOTE 13: SUBSEQUENT EVENTS

Subsequent events have been evaluated through December 11, 2014, which is the date the financial statement was available to be issued.

**UNIFIED SCHOOL DISTRICT NO. 386
MADISON, KANSAS**

Regulatory-Required
Supplementary Information

For the Year Ended June 30, 2014

**UNIFIED SCHOOL DISTRICT NO. 386
MADISON, KANSAS**

**SUMMARY OF EXPENDITURES - ACTUAL AND BUDGET
REGULATORY BASIS
FOR THE YEAR ENDED JUNE 30, 2014**

<u>Fund</u>	<u>Certified Budget</u>	<u>Adjustment to Comply with Legal Max</u>	<u>Adjustment for Qualifying Budget Credits</u>	<u>Total Budget for Comparison</u>	<u>Expenditures Chargeable to Current Year</u>	<u>Variance- Over (Under)</u>
General Funds:						
General	2,185,484	(18,806)	13,227	2,179,905	2,179,905	-
Supplemental general	632,811	-	90,441	723,252	723,252	-
Special Purpose Funds:						
At Risk (4 year old)	20,450	-	-	20,450	20,450	-
At Risk (K-12)	225,000	-	-	225,000	220,723	(4,277)
Capital outlay	174,230	-	21,828	196,058	182,985	(13,073)
Driver training	12,000	-	-	12,000	6,465	(5,535)
Food service	225,000	-	-	225,000	185,380	(39,620)
Professional development	20,120	-	-	20,120	12,515	(7,605)
Special education	400,000	-	-	400,000	372,853	(27,147)
Vocational education	2,000	-	9,622	11,622	9,711	(1,911)
KPERS Special Retirement	166,261	-	-	166,261	165,855	(406)

**UNIFIED SCHOOL DISTRICT NO. 386
MADISON, KANSAS**

**GENERAL FUND
SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
REGULATORY BASIS
FOR THE YEAR ENDED JUNE 30, 2014
(With Comparative Actual Totals for the Prior Year Ended June 30, 2013)**

		2014		Variance-
	2013	Actual	Budget	Over
	Actual			(Under)
Receipts:				
Ad valorem property tax	\$ 264,297	\$ 288,705	\$ 260,256	\$ 28,449
Delinquent tax	3,576	1,300	5,994	(4,694)
Mineral tax	3,470	468	-	468
State aid	1,512,418	1,530,716	1,583,406	(52,690)
State aid - Special education	278,780	285,489	275,828	9,661
Other local revenue	7,087	13,227	-	13,227
Transfer from Contingency Reserve	-	60,000	60,000	-
Total Receipts	2,069,628	2,179,905	\$ 2,185,484	\$ (5,579)
Expenditures:				
Instruction	971,748	1,021,548	1,103,520	(81,972)
Student support services	42,720	53,248	53,249	(1)
Instructional support staff	11,012	4,175	7,500	(3,325)
General administration	159,028	163,819	163,269	550
School administration	183,844	192,848	185,917	6,931
Operations & maintenance	128,930	207,804	135,543	72,261
Other student transportation svcs	685	1,075	1,000	75
Transfer to:				
Capital outlay	-	1,076	-	1,076
Professional development	2,259	13,645	20,000	(6,355)
Special education	314,618	285,489	280,920	4,569
Vocational education	15,223	1,626	2,000	(374)
Textbook & student materials revolving	-	7,231	-	7,231
At Risk (4 year old)	19,750	20,450	20,450	-
At Risk (K-12)	219,811	205,871	212,116	(6,245)
Adjustment to Comply with Legal Max	-	-	(18,806)	18,806
Legal General Fund Budget	2,069,628	2,179,905	2,166,678	13,227
Adjustment for Qualifying Budget Credits	-	-	13,227	(13,227)
Total Expenditures	2,069,628	2,179,905	\$ 2,179,905	\$ -

UNIFIED SCHOOL DISTRICT NO. 386
MADISON, KANSAS

GENERAL FUND (Continued)
SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
REGULATORY BASIS
FOR THE YEAR ENDED JUNE 30, 2014
(With Comparative Actual Totals for the Prior Year Ended June 30, 2013)

		2014		Variance-
	2013	Actual	Budget	Over
	Actual			(Under)
Receipts Over (Under) Expenditures	-	-		
Unencumbered Cash, Beginning	-	-		
Unencumbered Cash, Ending	\$ -	\$ -		

UNIFIED SCHOOL DISTRICT NO. 386
MADISON, KANSAS

SUPPLEMENTAL GENERAL FUND
SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
REGULATORY BASIS
FOR THE YEAR ENDED JUNE 30, 2014
(With Comparative Actual Totals for the Prior Year Ended June 30, 2013)

		2014		Variance- Over (Under)
	2013 Actual	Actual	Budget	
Receipts:				
Ad valorem property tax	\$ 321,569	\$ 388,585	\$ 359,229	\$ 29,356
Delinquent tax	5,712	3,233	7,290	(4,057)
Vehicle tax	46,403	40,843	41,632	(789)
Recreational vehicle tax	617	512	563	(51)
Mineral production tax	329	312	-	312
State aid	235,212	205,194	201,830	3,364
Other local revenue	62,989	90,441	-	90,441
Total Receipts	672,831	729,120	\$ 610,544	\$ 118,576
Expenditures:				
Instruction	146,563	188,199	60,198	128,001
Student support services	47,128	87,971	85,382	2,589
Instructional support staff	15,614	-	16,000	(16,000)
Operations & maintenance	227,587	190,130	196,300	(6,170)
Student transportation services	52,351	34,007	59,644	(25,637)
Vehicle operating services	30,618	59,439	35,000	24,439
Vehicle services & maintenance services	32,591	48,075	35,000	13,075
Transfer to:				
Driver training	-	-	6,207	(6,207)
Food service	51,478	30,042	60,000	(29,958)
Special education	54,934	85,389	79,080	6,309
Vocational education	12,000	-	-	-
Legal Supplemental General Fund Budget	670,864	723,252	632,811	90,441
Adjustment for Qualifying Budget Credits	-	-	90,441	(90,441)
Total Expenditures	670,864	723,252	\$ 723,252	\$ -
Receipts Over (Under) Expenditures	1,967	5,868		
Unencumbered Cash, Beginning	37,390	39,357		
Unencumbered Cash, Ending	\$ 39,357	\$ 45,225		

UNIFIED SCHOOL DISTRICT NO. 386
MADISON, KANSAS

AT RISK FUND (4 YEAR OLD)
SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
REGULATORY BASIS
FOR THE YEAR ENDED JUNE 30, 2014
(With Comparative Actual Totals for the Prior Year Ended June 30, 2013)

		2014		Variance- Over (Under)
	2013 Actual	Actual	Budget	
Receipts:				
Transfer from General	\$ 19,750	\$ 20,450	\$ 20,450	\$ -
Total Receipts	19,750	20,450	\$ 20,450	\$ -
Expenditures:				
Instruction	19,750	20,450	20,450	-
Total Expenditures	19,750	20,450	\$ 20,450	\$ -
Receipts Over (Under) Expenditures	-	-		
Unencumbered Cash, Beginning	-	-		
Unencumbered Cash, Ending	\$ -	\$ -		

UNIFIED SCHOOL DISTRICT NO. 386
MADISON, KANSAS

AT RISK FUND (K-12)
SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
REGULATORY BASIS
FOR THE YEAR ENDED JUNE 30, 2014
(With Comparative Actual Totals for the Prior Year Ended June 30, 2013)

		2014		Variance- Over (Under)
	2013 Actual	Actual	Budget	
Receipts:				
Transfer from General	\$ 219,811	\$ 205,871	\$ 212,116	\$ (6,245)
Other local revenue	-	4,020	147	3,873
Total Receipts	219,811	209,891	\$ 212,263	\$ (2,372)
Expenditures:				
Instruction	254,048	220,723	225,000	(4,277)
Total Expenditures	254,048	220,723	\$ 225,000	\$ (4,277)
Receipts Over (Under) Expenditures	(34,237)	(10,832)		
Unencumbered Cash, Beginning	46,974	12,737		
Unencumbered Cash, Ending	\$ 12,737	\$ 1,905		

UNIFIED SCHOOL DISTRICT NO. 386
MADISON, KANSAS

CAPITAL OUTLAY FUND
SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
REGULATORY BASIS
FOR THE YEAR ENDED JUNE 30, 2014
(With Comparative Actual Totals for the Prior Year Ended June 30, 2013)

		2014		Variance- Over (Under)
	2013 Actual	Actual	Budget	
Receipts:				
Interest	\$ 783	\$ 1,949	\$ -	\$ 1,949
Other local revenue	49,704	30,347	-	30,347
Transfer from General	-	1,076	-	1,076
Total Receipts	50,487	33,372	\$ -	\$ 33,372
Expenditures:				
Operations & maintenance	-	20,786	50,000	(29,214)
Transportation	49,490	39,724	-	39,724
Land improvement	-	-	50,000	(50,000)
Building Improvements	83,270	122,475	74,230	48,245
Legal Capital Outlay Fund Budget	132,760	182,985	174,230	8,755
Adjustment for Qualifying Budget Credits	-	-	21,828	(21,828)
Total Expenditures	132,760	182,985	\$ 196,058	\$ (13,073)
Receipts Over (Under) Expenditures	(82,273)	(149,613)		
Unencumbered Cash, Beginning	256,503	174,230		
Unencumbered Cash, Ending	\$ 174,230	\$ 24,617		

UNIFIED SCHOOL DISTRICT NO. 386
MADISON, KANSAS

DRIVER TRAINING FUND
SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
REGULATORY BASIS
FOR THE YEAR ENDED JUNE 30, 2014
(With Comparative Actual Totals for the Prior Year Ended June 30, 2013)

		2014		Variance- Over (Under)
	2013 Actual	Actual	Budget	
Receipts:				
State aid	\$ 1,395	\$ 1,190	\$ -	\$ 1,190
Transfer from Supplemental general	-	-	6,207	(6,207)
Total Receipts	1,395	1,190	\$ 6,207	\$ (5,017)
Expenditures:				
Instruction	3,706	4,413	7,670	(3,257)
Vehicle operations, maintenance services	1,372	2,052	4,330	(2,278)
Total Expenditures	5,078	6,465	\$ 12,000	\$ (5,535)
Receipts Over (Under) Expenditures	(3,683)	(5,275)		
Unencumbered Cash, Beginning	9,476	5,793		
Unencumbered Cash, Ending	\$ 5,793	\$ 518		

UNIFIED SCHOOL DISTRICT NO. 386
MADISON, KANSAS

FOOD SERVICE FUND
SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
REGULATORY BASIS
FOR THE YEAR ENDED JUNE 30, 2014
(With Comparative Actual Totals for the Prior Year Ended June 30, 2013)

		2014		Variance-
	2013	Actual	Budget	Over
	Actual			(Under)
Receipts:				
Student sales - lunch	\$ 40,601	\$ 38,822	\$ 32,899	\$ 5,923
Student sales - breakfast	-	-	9,140	(9,140)
Adult sales	4,242	4,153	17,061	(12,908)
Miscellaneous	8,090	8,952	-	8,952
State aid	1,424	1,439	1,231	208
Federal funds	86,437	90,842	81,163	9,679
Transfer from Supplemental general	51,478	30,042	60,000	(29,958)
Total Receipts	192,272	174,250	\$ 201,494	\$ (27,244)
Expenditures:				
Operations and maintenance	16,949	17,359	17,771	(412)
Food service operation	179,812	168,021	207,229	(39,208)
Total Expenditures	196,761	185,380	\$ 225,000	\$ (39,620)
Receipts Over (Under) Expenditures	(4,489)	(11,130)		
Unencumbered Cash, Beginning	54,558	50,069		
Unencumbered Cash, Ending	\$ 50,069	\$ 38,939		

UNIFIED SCHOOL DISTRICT NO. 386
MADISON, KANSAS

PROFESSIONAL DEVELOPMENT FUND
SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
REGULATORY BASIS
FOR THE YEAR ENDED JUNE 30, 2014
(With Comparative Actual Totals for the Prior Year Ended June 30, 2013)

		2014		Variance- Over (Under)
	2013 Actual	Actual	Budget	
Receipts:				
Transfer from General	\$ 2,259	\$ 13,645	\$ 20,000	\$ (6,355)
Total Receipts	2,259	13,645	\$ 20,000	\$ (6,355)
Expenditures:				
Instructional support staff	16,119	11,593	19,000	(7,407)
Other supplemental service	1,020	922	1,120	(198)
Total Expenditures	17,139	12,515	\$ 20,120	\$ (7,605)
Receipts Over (Under) Expenditures	(14,880)	1,130		
Unencumbered Cash, Beginning	15,000	120		
Unencumbered Cash, Ending	\$ 120	\$ 1,250		

UNIFIED SCHOOL DISTRICT NO. 386
MADISON, KANSAS

SPECIAL EDUCATION FUND
SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
REGULATORY BASIS
FOR THE YEAR ENDED JUNE 30, 2014
(With Comparative Actual Totals for the Prior Year Ended June 30, 2013)

		2014		Variance-
	2013	Actual	Budget	Over
	Actual			(Under)
Receipts:				
Transfer from Supplemental general	\$ 54,934	\$ 85,389	\$ 79,080	\$ 6,309
Transfer from General	314,618	285,489	280,920	4,569
Other local revenue	2,566	1,975	-	1,975
Total Receipts	372,118	372,853	\$ 360,000	\$ 12,853
Expenditures:				
Instruction	354,593	353,516	340,920	12,596
School administration	875	-	15,000	(15,000)
Student transportation serv	-	14,663	15,192	(529)
Vehicle operating services	16,650	4,674	28,888	(24,214)
Total Expenditures	372,118	372,853	\$ 400,000	\$ (27,147)
Receipts Over (Under) Expenditures	-	-		
Unencumbered Cash, Beginning	40,000	40,000		
Unencumbered Cash, Ending	\$ 40,000	\$ 40,000		

UNIFIED SCHOOL DISTRICT NO. 386
MADISON, KANSAS

VOCATIONAL EDUCATION FUND
SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
REGULATORY BASIS
FOR THE YEAR ENDED JUNE 30, 2014
(With Comparative Actual Totals for the Prior Year Ended June 30, 2013)

		2014		Variance- Over (Under)
	2013 Actual	Actual	Budget	
Receipts:				
Transfer from General	\$ 15,223	\$ 1,626	\$ 2,000	\$ (374)
Transfer from Supplemental general	12,000	-	-	-
State aid - transportation	-	8,085	-	8,085
Federal funds - Carl Perkins	1,426	1,537	-	1,537
Total Receipts	28,649	11,248	\$ 2,000	\$ 9,248
Expenditures:				
Instruction	28,649	1,626	2,000	(374)
Student transportation serv	-	8,085	-	8,085
Legal Vocational Education Fund Budget	28,649	9,711	2,000	7,711
Adjustment for Qualifying Budget Credits	-	-	9,622	(9,622)
Total Expenditures	28,649	9,711	\$ 11,622	\$ (1,911)
Receipts Over (Under) Expenditures	-	1,537		
Unencumbered Cash, Beginning	-	-		
Unencumbered Cash, Ending	\$ -	\$ 1,537		

UNIFIED SCHOOL DISTRICT NO. 386
MADISON, KANSAS

KPERS SPECIAL RETIREMENT CONTRIBUTION FUND
SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
REGULATORY BASIS
FOR THE YEAR ENDED JUNE 30, 2014
(With Comparative Actual Totals for the Prior Year Ended June 30, 2013)

		2014		Variance- Over (Under)
	2013 Actual	Actual	Budget	
Receipts:				
State aid	\$ 142,578	\$ 165,855	\$ 166,261	\$ (406)
Total Receipts	142,578	165,855	\$ 166,261	\$ (406)
Expenditures:				
Instruction	89,824	100,689	102,999	(2,310)
Student support services	9,647	11,610	11,000	610
Instructional support staff	3,944	4,975	5,000	(25)
General administration	7,462	9,559	9,000	559
School administration	9,981	11,610	11,000	610
Operations & maintenance	7,129	10,826	11,262	(436)
Student transportation services	7,462	8,293	8,000	293
Food service	7,129	8,293	8,000	293
Total Expenditures	142,578	165,855	\$ 166,261	\$ (406)
Receipts Over (Under) Expenditures	-	-		
Unencumbered Cash, Beginning	-	-		
Unencumbered Cash, Ending	\$ -	\$ -		

UNIFIED SCHOOL DISTRICT NO. 386
MADISON, KANSAS

CAPITAL PROJECT FUND - QZAB
STATEMENT OF RECEIPTS AND EXPENDITURES
REGULATORY BASIS

FOR THE YEAR ENDED JUNE 30, 2014

(With Comparative Actual Totals for the Prior Year Ended June 30, 2013)

	2013 Actual	2014 Actual
Receipts:		
Investment income	\$ -	\$ -
Total Receipts	-	-
Expenditures:		
Energy improvements project	-	-
Total Expenditures	-	-
Receipts Over (Under) Expenditures	-	-
Unencumbered Cash, Beginning	2	2
Unencumbered Cash, Ending	\$ 2	\$ 2

UNIFIED SCHOOL DISTRICT NO. 386
MADISON, KANSAS

CONTINGENCY RESERVE FUND
SCHEDULE OF RECEIPTS AND EXPENDITURES
REGULATORY BASIS

FOR THE YEAR ENDED JUNE 30, 2014

(With Comparative Actual Totals for the Prior Year Ended June 30, 2013)

	2013 Actual	2014 Actual
Receipts:		
Total Receipts	\$ -	\$ -
Expenditures:		
Transfer to General	-	60,000
Total Expenditures	-	60,000
Receipts Over (Under) Expenditures	-	(60,000)
Unencumbered Cash, Beginning	202,646	202,646
Unencumbered Cash, Ending	\$ 202,646	\$ 142,646

UNIFIED SCHOOL DISTRICT NO. 386
MADISON, KANSAS

GIFTS AND GRANTS FUND
SCHEDULE OF RECEIPTS AND EXPENDITURES
REGULATORY BASIS

FOR THE YEAR ENDED JUNE 30, 2014

(With Comparative Actual Totals for the Prior Year Ended June 30, 2013)

	2013 Actual	2014 Actual
Receipts:		
Contributions	\$ 3,558	\$ 8,093
Total Receipts	3,558	8,093
Expenditures:		
Instruction	3,964	8,281
Total Expenditures	3,964	8,281
Receipts Over (Under) Expenditures	(406)	(188)
Unencumbered Cash, Beginning	2,326	1,920
Unencumbered Cash, Ending	\$ 1,920	\$ 1,732

UNIFIED SCHOOL DISTRICT NO. 386
MADISON, KANSAS

TEXTBOOK & STUDENT MATERIAL REVOLVING FUND
SCHEDULE OF RECEIPTS AND EXPENDITURES
REGULATORY BASIS
FOR THE YEAR ENDED JUNE 30, 2014
(With Comparative Actual Totals for the Prior Year Ended June 30, 2013)

	2013 Actual	2014 Actual
Receipts:		
Material and rental fees	\$ 9,278	\$ 5,966
Transfer from General	-	7,231
Total Receipts	9,278	13,197
Expenditures:		
Instruction	12,478	9,592
Total Expenditures	12,478	9,592
Receipts Over (Under) Expenditures	(3,200)	3,605
Unencumbered Cash, Beginning	11,942	8,742
Unencumbered Cash, Ending	\$ 8,742	\$ 12,347

UNIFIED SCHOOL DISTRICT NO. 386
MADISON, KANSAS

TITLE I, PART A - IMPROVING THE ACADEMIC ACHIEVEMENT OF DISADVANTAGED FUND
SCHEDULE OF RECEIPTS AND EXPENDITURES
REGULATORY BASIS
FOR THE YEAR ENDED JUNE 30, 2014
(With Comparative Actual Totals for the Prior Year Ended June 30, 2013)

	2013 Actual	2014 Actual
Receipts:		
Federal funds	\$ 48,459	\$ 43,613
Total Receipts	48,459	43,613
Expenditures:		
Instruction	48,459	43,613
Total Expenditures	48,459	43,613
Receipts Over (Under) Expenditures	-	-
Unencumbered Cash, Beginning	-	-
Unencumbered Cash, Ending	\$ -	\$ -

UNIFIED SCHOOL DISTRICT NO. 386
MADISON, KANSAS

TITLE II, PART A - TEACHER QUALITY FUND
SCHEDULE OF RECEIPTS AND EXPENDITURES
REGULATORY BASIS

FOR THE YEAR ENDED JUNE 30, 2014

(With Comparative Actual Totals for the Prior Year Ended June 30, 2013)

	2013 Actual	2014 Actual
Receipts:		
Federal funds	\$ 18,480	\$ 18,030
Total Receipts	18,480	18,030
Expenditures:		
Instruction	18,480	18,030
Total Expenditures	18,480	18,030
Receipts Over (Under) Expenditures	-	-
Unencumbered Cash, Beginning	-	-
Unencumbered Cash, Ending	\$ -	\$ -

UNIFIED SCHOOL DISTRICT NO. 386
MADISON, KANSAS

SMALL SCHOOL GRANTS
SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL
REGULATORY BASIS
FOR THE YEAR ENDED JUNE 30, 2014
(With Comparative Actual Totals for the Prior Year Ended June 30, 2013)

	2013 Actual	2014 Actual
Receipts:		
Federal funds	\$ -	\$ 13,295
Total Receipts	-	13,295
Expenditures:		
Instruction	-	13,295
Total Expenditures	-	13,295
Receipts Over (Under) Expenditures	-	-
Unencumbered Cash, Beginning	-	-
Unencumbered Cash, Ending	\$ -	\$ -

UNIFIED SCHOOL DISTRICT NO. 386
MADISON, KANSAS

EXPENDABLE TRUST FUND
SCHEDULE OF RECEIPTS AND EXPENDITURES
REGULATORY BASIS

FOR THE YEAR ENDED JUNE 30, 2014

(With Comparative Actual Totals for the Prior Year Ended June 30, 2013)

	2013 Actual	2014 Actual
Receipts:		
Donations	\$ 500	\$ 500
Total Receipts	500	500
Expenditures:		
Scholarships	417	833
Total Expenditures	417	833
Receipts Over (Under) Expenditures	83	(333)
Unencumbered Cash, Beginning	750	833
Unencumbered Cash, Ending	\$ 833	\$ 500

**UNIFIED SCHOOL DISTRICT NO. 386
MADISON, KANSAS**

**AGENCY FUNDS
SCHEDULE OF RECEIPTS AND DISBURSEMENTS
REGULATORY BASIS
FOR THE YEAR ENDED JUNE 30, 2014**

<u>Fund</u>	<u>Beginning Cash Balance</u>	<u>Receipts</u>	<u>Disbursements</u>	<u>Ending Cash Balance</u>
STUDENT ORGANIZATION FUNDS				
MADISON HIGH SCHOOL				
Ag Team	\$ -	\$ 3,000	\$ 650	\$ 2,350
Art Club	127	258	85	300
Bake Shop	1,508	314	332	1,490
Band	856	246	222	880
Beautification	302	-	-	302
Economics	10	-	-	10
Elementary Fund	148	573	592	129
Flower Fund	198	125	67	256
Gifted	4	-	4	-
In House Training	815	-	-	815
Library	156	33	-	189
Best Team	68	-	68	-
Madison Invitational Music Festival	1,322	3,797	2,530	2,589
Odyssey of the Mind	1,186	4,399	3,203	2,382
Physics	16	-	-	16
Play Performance	1,359	552	1,008	903
Sales Tax	37	4,042	4,029	50
Spring Chicken Run	-	611	611	-
Student Activities	629	1,868	1,897	600
Student Assistance	159	-	-	159
Student Athletics	5,453	14,585	15,773	4,265
STUGO	1,017	5,852	6,375	494
Test Fees	-	680	680	-
TSA - Technology Student Association	50	-	50	-
Vocal Music Fund	420	1,052	585	887
Interest	74	27	-	101
Class of 2013	65	-	-	65
Class of 2014	1,172	31,840	33,012	-
Class of 2015	2,071	2,746	4,589	228
Class of 2016	928	1,096	276	1,748
Class of 2017	354	1,159	308	1,205
Class of 2018	130	387	200	317
Class of 2019	-	140	-	140
	<u>20,634</u>	<u>79,382</u>	<u>77,146</u>	<u>22,870</u>

**UNIFIED SCHOOL DISTRICT NO. 386
MADISON, KANSAS**

**AGENCY FUNDS
SCHEDULE OF RECEIPTS AND DISBURSEMENTS
REGULATORY BASIS
FOR THE YEAR ENDED JUNE 30, 2014**

<u>Fund</u>	<u>Beginning Cash Balance</u>	<u>Receipts</u>	<u>Disbursements</u>	<u>Ending Cash Balance</u>
STUDENT ORGANIZATION FUNDS				
MADISON ELEMENTARY SCHOOL				
Music	12	379	379	12
Sales Tax	-	74	74	-
Student Publications	-	3,001	2,986	15
Student Welfare	393	1,935	2,176	152
	<u>405</u>	<u>5,389</u>	<u>5,615</u>	<u>179</u>
Total	<u>\$ 21,039</u>	<u>\$ 84,771</u>	<u>\$ 82,761</u>	<u>\$ 23,049</u>

**UNIFIED SCHOOL DISTRICT NO. 386
MADISON, KANSAS**

**DISTRICT ACTIVITY FUNDS
SCHEDULE OF RECEIPTS, EXPENDITURES AND UNENCUMBERED CASH
REGULATORY BASIS
FOR THE YEAR ENDED JUNE 30, 2014**

<u>Funds</u>	<u>Beginning Unencumbered Cash Balance</u>	<u>Prior Year Cancelled Encumbrances</u>	<u>Receipts</u>	<u>Expenditures</u>	<u>Ending Unencumbered Cash Balance</u>	<u>Add Encumbrances and Accounts Payable</u>	<u>Ending Cash Balance</u>
Gate Receipts:							
Athletics -							
Madison JH/SH	\$ 1,907	\$ -	\$ 14,586	\$ 15,179	\$ 1,314	\$ -	\$ 1,314
Subtotal Gate Receipts	1,907	-	14,586	15,179	1,314	-	1,314
School Projects:							
Madison JH/SH	30	-	-	30	-	-	-
Subtotal School Projects	30	-	-	30	-	-	-
Total District Activity Funds	\$ 1,937	\$ -	\$ 14,586	\$ 15,209	\$ 1,314	\$ -	\$ 1,314